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7 The Regents of the University of
8 California,

9 NO. C 03-05669 JW

10 Plaintiff,

11 v.

12 Micro Therapeutics Inc., et al.,

13 **PROPOSED ORDER OF
APPOINTMENT OF A TECHNICAL
ADVISOR, MR. RAINER SCHULZ**

14 Defendants,
15 Third Party Plaintiffs

16 v.

17 Boston Scientific Corp., et al.,

18 Third Party Defendants

19 _____/

20 **I. BACKGROUND**

21 The Regents of the University of California (“Plaintiff”) initiated this patent infringement
22 suit against Micro Therapeutics, Inc., and Dendron GmbH (“Third Party Plaintiffs”) under 35 U.S.C.
23 § 271. Micro Therapeutics and Dendron counterclaimed against Plaintiff, and filed a third party
24 complaint against Boston Scientific Corp. and Target Therapeutics, Inc. (“Third Party Defendants”)
25 alleging an Antitrust violation under the Sherman Act, 15 U.S.C. §§ 1 and 2.
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1 Plaintiff initially accused Third Party Plaintiffs of willfully infringing 12 patents. Later, the
2 Plaintiff dropped five patents from its infringement claims and presently asserts seven patents
3 against Third Party Plaintiffs: U.S. Patent Nos. 5,122,136 ("136 patent"), 5,855,578 ("578 patent"),
4 6,066,133 ("133 patent"), 5,976,126 ("126 patent"), 5,947,962 ("962 patent"), 5,947,963 ("963
5 patent"), and 5,925,037 ("037 patent"). Third Party Plaintiffs, however have asserted counterclaims
6 as to all 12 patents. Therefore, there are five additional patents that are only part of Third Party
7 Plaintiffs' counterclaims: U.S. Patent Nos. 5,354,295 ("295 patent"), 5,540,680 ("680 patent"),
8 5,895,385 ("385 patent"), 6,010,498 ("498 patent"), and 6,083,220 ("220 patent").

9 Due to the complexity of the case and the patents-in-suit, the Court has determined that it
10 would benefit from the services of a technical advisor.

11 II. STANDARDS

12 A district judge has inherent authority to appoint a technical advisor when the judge deems it
13 desirable and necessary. Ass'n of Mexican Am. Educators v. California, 231 F.3d 572, 590 (9th Cir.
14 2000) (en banc). The exercise of this authority should be used sparingly and only in highly
15 complicated cases. TechSearch, L.L.C. v. Intel Corp., 286 F.3d 1360, 1378 (Fed. Cir. 2002)
16 (interpreting the Ninth Circuit standard for appointing technical advisors). In those limited cases,
17 where the complexity of the science and technology involves something well beyond regular
18 questions of fact and law, the district court has the inherent authority to tap the outside skill and
19 expertise of a technical advisor. Federal Trade Commission v. Enforma Natural Products, Inc., 362
20 F.3d 1204, 1213 (9th Cir. 2004); see also Reilly v. United States, 863 F.2d 149, 157 (1st Cir. 1988).
21 The technical advisor acts as educator, advising on terminology so that the district court can better
22 understand complex evidence and properly discharge its role as decision maker. TechSearch, 286
23 F.3d at 1377.

24 In Reilly, while conceding that a district court has inherent authority to appoint an expert as a
25 technical advisor, the appellant argued that such power is strictly circumscribed by Fed.R.Evid.
26 706(a). Reilly, 863 F.2d 149, 154 (1st Cir. 1988). The First Circuit held the plain language of
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1 706(a) indicates that the rule is confined to court-appointed expert witnesses and does not embrace
2 expert advisors or consultants. Id. at 155. Ultimately, the First Circuit held:

3 [706(a)] establishes a procedural framework for nomination and selection of an expert
4 witness and for the proper performance of his role after an appointment is accepted. [] By
5 and large, these modalities--though critically important in the realm customarily occupied by
6 an expert witness--have marginal, if any, relevance to the functioning of technical advisors.
Since an advisor, by definition, is called upon to make no findings and to supply no
evidence, [internal citations omitted], provisions for depositions, cross-questioning, and the
like are inapposite. [citations omitted.]

7 Id. at 156.

8 **III. PROPOSED ORDER OF APPOINTMENT**

9 Accordingly, the Court appoints Mr. Rainer Schulz¹ as a "Technical Advisor" under the
10 following terms:

- 11 1. Any advice provided to the Court by Mr. Schulz will not be based on any extra-record
12 information.
- 13 2. From time to time, the Court may request Mr. Schulz to provide a formal written report on
14 technical advice concerning the case. A copy of the formal written report prepared by Mr. Schulz
15 shall be provided to the parties. However, the Court reserves the right to have informal verbal
16 communication with Mr. Schulz which are not included in any formal written report.
- 17 2. Mr. Schulz may attend any court proceedings.
- 18 3. Mr. Schulz may review any pleadings, motions or documents submitted to the Court.
- 19 4. As a technical advisor, Mr. Schulz will make no written findings of fact and will not
20 supply any evidence to the Court. Thus, Mr. Schulz will be outside the purview of "expert
21 witnesses" under Fed. R. Evid. 706. As such, the provisions in Rule 706 for depositions and
22 questioning of expert witnesses will be inapplicable to Mr. Schulz. See Reilly, 863 F.2d at 155-156.
- 23 5. Mr. Schulz will have no contact with any of the parties or their counsel except for billing
24 purposes.

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27 ¹Attached to this Proposed Order is a courtesy copy of Mr. Schulz's resume.

1 6. The parties are directed to pay the reasonable fees charged by Mr. Schulz for his service
2 as a technical advisor to the Court in this case. If the appointment is made, the parties shall confer to
3 determine an apportionment for purposes of payment of Mr. Schulz's fees. All matters pertaining to
4 the fees of Mr. Schulz are referred to the Magistrate Judge Richard Seeborg.

5 7. Mr. Schulz shall file a declaration that he will adhere to the terms of his appointment.

6 On or before **June 12, 2006**, any party to the litigation wishing to object to Mr. Schulz's
7 appointment on any ground, shall file a Notice of Objection to Appointment of Technical Advisor.
8 Among the grounds for objection, the Court specifically would wish to know of any objection based
9 on the following grounds:

10 A. Bias on the part of Mr. Schulz;

11 B. Lack of funds to share the fees of the advisor on the part of the objecting party.

12 Any objection shall be lodged directly with Magistrate Judge Seeborg. The objection shall
13 state the ground of objection and be accompanied by a supporting declaration and legal
14 memorandum supporting the objection. Judge Seeborg shall not advise Judge Ware of the identity
15 of any party making an objection. Judge Seeborg may confer with the parties to determine if any
16 modification of the terms of appointment would overcome the objection. Thereafter, Judge Seeborg
17 shall submit a recommendation to Judge Ware in accordance with paragraphs 1-7 or as modified or
18 of non-appointment due to objections. Judge Ware shall determine whether to make the
19 appointment under any modified terms of appointment.

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21 Dated: May 26, 2006



JAMES WARE
United States District Judge

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United States District Court

For the Northern District of California

1 **THIS IS TO CERTIFY THAT COPIES OF THIS ORDER HAVE BEEN DELIVERED TO:**

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13 **Dated: May 26, 2006**

Richard W. Wieking, Clerk

14 By: /s/JW Chambers _____
15 **Melissa Peralta**
16 **Courtroom Deputy**

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